

# SENATE BILL No. 135

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-33.

**Synopsis:** Relocation of a riverboat. Specifies the conditions and procedures that must be fulfilled to permit a licensed riverboat owner to move one riverboat operation from the city of Gary to Steuben County. Provides for the calculation of base year revenues for Gary, Lake County, the Lake County convention and visitors bureau, the northwest Indiana law enforcement academy, and the new home dock in Steuben County for purposes of distributing admissions taxes and wagering taxes.

**Effective:** July 1, 2008.

**Meeks**

January 8, 2008, read first time and referred to Committee on Rules and Legislative Procedure.

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Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

## SENATE BILL No. 135

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-33-1-1, AS AMENDED BY P.L.233-2007,  
2 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2008]: Sec. 1. This article applies only to the following:

- 4 (1) Counties contiguous to Lake Michigan.  
5 (2) A county that is:  
6 (A) contiguous to the Ohio River; and  
7 (B) described in IC 4-33-6-1(a)(5).  
8 (3) A county that contains a historic hotel district.  
9 (4) **A county that has a population of more than thirty-three**  
10 **thousand two hundred (33,200) but less than thirty-three**  
11 **thousand six hundred (33,600).**

12 SECTION 2. IC 4-33-2-17 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. "Riverboat" means  
14 ~~either~~ **any** of the following on which lawful gambling is authorized  
15 under this article:

- 16 (1) A self-propelled excursion boat located in a county described  
17 in IC 4-33-1-1(1) or IC 4-33-1-1(2) that complies with



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1 IC 4-33-6-6(a).

2 (2) A vessel located in a historic hotel district.

3 **(3) A vessel that is:**

4 **(A) substantially similar to the vessel described in**  
 5 **subdivision (2); and**

6 **(B) located in a county described in IC 4-33-1-1(4).**

7 SECTION 3. IC 4-33-6-1, AS AMENDED BY P.L.233-2007,  
 8 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JULY 1, 2008]: Sec. 1. (a) The commission may issue to a person a  
 10 license to own a riverboat subject to the numerical and geographical  
 11 limitation of owner's licenses under this section, section 3.5 of this  
 12 chapter, and IC 4-33-4-17. However, not more than ten (10) owner's  
 13 licenses may be in effect at any time. Except as provided in subsection  
 14 (b), ~~those ten (10) the~~ licenses ~~are~~ **may be geographically located** as  
 15 follows:

16 (1) **At least one (1) but not more than** two (2) licenses for a  
 17 riverboat that operates from the largest city located in the counties  
 18 described ~~under in~~ IC 4-33-1-1(1).

19 (2) One (1) license for a riverboat that operates from the second  
 20 largest city located in the counties described ~~under in~~  
 21 IC 4-33-1-1(1).

22 (3) One (1) license for a riverboat that operates from the third  
 23 largest city located in the counties described ~~under in~~  
 24 IC 4-33-1-1(1).

25 (4) One (1) license for a city located in the counties described  
 26 ~~under in~~ IC 4-33-1-1(1). This license may not be issued to a city  
 27 described in subdivisions (1) through (3).

28 (5) A total of five (5) licenses for riverboats that operate upon the  
 29 Ohio River from the following counties:

30 (A) Vanderburgh County.

31 (B) Harrison County.

32 (C) Switzerland County.

33 (D) Ohio County.

34 (E) Dearborn County.

35 The commission may not issue a license to an applicant if the  
 36 issuance of the license would result in more than one (1) riverboat  
 37 operating from a county described in this subdivision.

38 **(6) Not more than one (1) license for a county described in**  
 39 **IC 4-33-1-1(4).**

40 (b) If a city described in subsection (a)(2) or (a)(3) conducts two (2)  
 41 elections under section 20 of this chapter, and the voters of the city do  
 42 not vote in favor of permitting riverboat gambling at either of those

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elections, the license assigned to that city under subsection (a)(2) or (a)(3) may be issued to any city that:

- (1) does not already have a riverboat operating from the city; and
- (2) is located in a county described in IC 4-33-1-1(1).

(c) In addition to its power to issue owner's licenses under subsection (a), the commission may also enter into a contract under IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf of the commission in a historic hotel district.

(d) **Except as provided in section 22 of this chapter**, a person holding an owner's license may not move the person's riverboat from the county in which the riverboat was docked on January 1, 2007, to any other county.

SECTION 4. IC 4-33-6-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 18. (a) This subsection applies to cities described in section 1(a)(1) through 1(a)(4) or section 1(b) of this chapter. The commission may not issue a license authorizing a riverboat to dock in a city unless the legislative body of the city has approved an ordinance permitting the docking of riverboats in the city.

(b) This subsection applies to a county described in section 1(a)(5) of this chapter if the largest city in the county is contiguous to the Ohio River. The commission may not issue a license authorizing a riverboat to dock in the county unless an ordinance permitting the docking of riverboats in the county has been approved by the legislative body of the largest city in the county. The license must specify that the home dock of the riverboat is to be located in the largest city in the county.

(c) This subsection applies to a county described in section 1(a)(5) of this chapter if the largest city in the county is not contiguous to the Ohio River. The commission may not issue a license authorizing a riverboat to dock in the county unless an ordinance permitting the docking of riverboats in the county has been approved by the county fiscal body.

(d) This subsection applies to a county in which a historic hotel district is located. The commission may not enter into a contract under IC 4-33-6.5 for the operation of a riverboat in the county unless an ordinance permitting the docking of riverboats in the county has been approved by the county fiscal body.

**(e) This subsection applies to a county described in IC 4-33-1-1(4). The commission may not authorize a riverboat to operate in the county under section 22 of this chapter unless an ordinance permitting the operation of a riverboat in the county has been approved by the county fiscal body.**

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SECTION 5. IC 4-33-6-19 IS AMENDED TO READ AS  
FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 19. (a) This section  
applies to:

- (1) a county contiguous to the Ohio River;
- (2) a county containing a historic hotel district; ~~and~~
- (3) a county contiguous to Lake Michigan that has a population  
of less than four hundred thousand (400,000); **and**
- (4) a county described in IC 4-33-1-1(4).**

(b) Notwithstanding any other provision of this article, the  
commission may not:

- (1) issue a license under this article to allow a riverboat to operate  
in the county; ~~or~~
- (2) enter into a contract with an operating agent under  
IC 4-33-6.5; **or**
- (3) authorize a riverboat to dock in a county under section 22  
of this chapter;**

unless the voters of the county have approved the conducting of  
gambling games on riverboats in the county.

(c) If the docking of a riverboat in the county is approved by an  
ordinance adopted under section 18 of this chapter, or if at least the  
number of the registered voters of the county required under IC 3-8-6-3  
for a petition to place a candidate on the ballot sign a petition submitted  
to the circuit court clerk requesting that a local public question  
concerning riverboat gaming be placed on the ballot, the county  
election board shall place the following question on the ballot in the  
county during the next primary or general election:

"Shall riverboat gambling be permitted in \_\_\_\_ County?".

(d) A public question under this section shall be placed on the ballot  
in accordance with IC 3-10-9 and must be certified in accordance with  
IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election  
under this chapter shall certify the results determined under  
IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in  
a county and the voters of the county do not vote in favor of permitting  
riverboat gambling under this article, a second public question under  
this section may not be held in that county for at least two (2) years. If  
the voters of the county vote to reject riverboat gambling a second time,  
a third or subsequent public question under this section may not be  
held in that county until the general election held during the tenth year  
following the year that the previous public question was placed on the  
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SECTION 6. IC 4-33-6-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 22. (a) A licensed owner may petition the commission for approval of a plan to move one (1) riverboat operation conducted by the licensed owner to a county described in IC 4-33-1-1(4) if the following conditions are satisfied:**

(1) The licensed owner's riverboat was located in a city described in section 1(a)(1) of this chapter on January 1, 2007.

(2) An ordinance permitting a riverboat in the county has been approved by the fiscal body of a county described in IC 4-33-1-1(4).

(3) The voters of a county described in IC 4-33-1-1(4) have approved riverboat gaming in a local public question held under section 19 of this chapter.

**(b) A plan submitted by a licensed owner under this section must address the following:**

(1) The licensed owner's plans for a new riverboat on which the licensed owner will conduct riverboat gambling in a city described in section 1(a)(1) of this chapter if the licensed owner's plan to relocate a riverboat gambling operation is approved.

(2) The facilities or proposed facilities for the conduct of riverboat gambling in the county to which the licensed owner wishes to move the licensed owner's riverboat operation. The licensed owner must submit to the commission a proposed design of the riverboat.

(3) The estimated revenue to be collected by the state from the conduct of riverboat gambling in the new location.

(4) The good faith affirmative action plan of the licensed owner to recruit, train, and upgrade minorities in all employment classifications at the new location.

(5) The financial ability of the licensed owner to maintain riverboat operations at the location described in IC 4-33-1-1(1) while a riverboat is constructed at the new location.

(6) The extent to which the licensed owner provides assurances that the licensed owner will participate in the funding of:

(A) specific economic development programs; or

(B) infrastructure improvements;

in the county where the licensed owner's riverboat operations will be relocated.

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(c) The commission shall approve a petition submitted under subsection (a) if:

(1) the conditions set forth in subsection (a)(1) through (a)(3) are satisfied;

(2) the commission finds that the plan submitted by the licensed owner satisfies the requirements of subsection (b); and

(3) the commission approves the licensed owner's proposal to conduct riverboat gambling on a new riverboat described in the plans submitted under subsection (b)(1).

The commission may not approve a proposal described in subdivision (3) unless the new riverboat and its related facilities comprise a capital investment of at least one hundred fifty million dollars (\$150,000,000) in a city described in section 1(a)(1) of this chapter.

(d) A riverboat constructed for the relocation of a licensed owner's riverboat operation to a county described in IC 4-33-1-1(4) must be substantially similar to the vessel approved for riverboat gambling in a historic hotel district.

(e) The commission may not approve the relocation of more than one (1) riverboat operation under this section.

(f) The commission may not charge a fee for the privilege of relocating a riverboat operation.

(g) A licensed owner that relocates a riverboat operation under this section must implement flexible scheduling under section 21 of this chapter at the riverboat operation's new location.

(h) A licensed owner may not commence riverboat gambling operations in a county described in IC 4-33-1-1(4) until the licensed owner commences riverboat gambling operations in a city described in section 1(a)(1) of this chapter on a new riverboat approved by the commission under subsection (c)(3).

SECTION 7. IC 4-33-12-6, AS AMENDED BY P.L.233-2007, SECTION 16, AND AS AMENDED BY P.L.234-2007, SECTION 280, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling

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under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; or

**(iii) is located in a county described in IC 4-33-1-1(4) and is the largest city in the county; and**

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the

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funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k) *and section 7 of this chapter*, sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following amounts:

(1) ~~Twenty-five~~ *Twenty-two* percent ~~(25%)~~ (22%) of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) ~~Twenty~~ *Twenty-two and seventy-five hundredths* percent ~~(20%)~~ (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) ~~Twenty~~ *Twenty-two and seventy-five hundredths* percent ~~(20%)~~ (22.75%) shall be quarterly distributed to the county

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1 treasurer of a county having a population of more than ten  
 2 thousand seven hundred (10,700) but less than twelve  
 3 thousand (12,000) for appropriation by the county fiscal body.  
 4 The county fiscal body for the receiving county shall provide  
 5 for the distribution of the money received under this clause to  
 6 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in  
 7 the county under a formula established by the county fiscal  
 8 body after receiving a recommendation from the county  
 9 executive.

10 (C) ~~Sixty~~ Fifty-four and five-tenths percent ~~(60%)~~ (54.5%)  
 11 shall be retained by the county where the riverboat is docked  
 12 for appropriation by the county fiscal body after receiving a  
 13 recommendation from the county executive. ~~The county fiscal~~  
 14 ~~body shall provide for the distribution of part or all of the~~  
 15 ~~money received under this clause to the following under a~~  
 16 ~~formula established by the county fiscal body.~~

17 ~~(i)~~ (2) Five percent (5%) of the admissions tax collected during  
 18 the quarter shall be paid to a town having a population of more  
 19 than two thousand two hundred (2,200) but less than three  
 20 thousand five hundred (3,500) located in a county having a  
 21 population of more than nineteen thousand three hundred  
 22 (19,300) but less than twenty thousand (20,000). *At least twenty*  
 23 *percent (20%) of the taxes received by a town under this*  
 24 *subdivision must be transferred to the school corporation in*  
 25 *which the town is located.*

26 ~~(ii)~~ (3) Five percent (5%) of the admissions tax collected during  
 27 the quarter shall be paid to a town having a population of more  
 28 than three thousand five hundred (3,500) located in a county  
 29 having a population of more than nineteen thousand three  
 30 hundred (19,300) but less than twenty thousand (20,000). *At least*  
 31 *twenty percent (20%) of the taxes received by a town under this*  
 32 *subdivision must be transferred to the school corporation in*  
 33 *which the town is located.*

34 ~~(2) Sixteen~~ (4) Twenty percent ~~(16%)~~ (20%) of the admissions tax  
 35 collected during the quarter shall be paid in equal amounts to  
 36 each town that:

- 37 (A) is located in the county in which the riverboat docks; and
- 38 (B) contains a historic hotel.

39 ~~The town council shall appropriate a part of the money received~~  
 40 ~~by the town under this subdivision to the budget of the town's~~  
 41 ~~tourism commission. At least twenty percent (20%) of the taxes~~  
 42 ~~received by a town under this subdivision must be transferred to~~

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the school corporation in which the town is located.

~~(3) Nine~~ (5) Ten percent ~~(9%)~~ (10%) of the admissions tax collected during the quarter shall be paid to the *historic hotel preservation* Orange County development commission established under IC 36-7-11.5. *At least one-third (1/3) of the taxes paid to the Orange County development commission under this subdivision must be transferred to the Orange County convention and visitors bureau.*

~~(4) Twenty-five~~ (6) Thirteen percent ~~(25%)~~ (13%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

~~(5) (7) Twenty-five percent (25%)~~ of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

(A) Job creation and retention.

(B) Infrastructure, including water, wastewater, and storm water infrastructure needs.

(C) Housing.

(D) Workforce training.

(E) Health care.

(F) Local planning.

(G) Land use.

(H) Assistance to regional economic development groups.

(I) Other regional development issues as determined by the Indiana economic development corporation.

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the city in which the riverboat is docked.

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(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the county in which the riverboat is docked.

(3) Except as provided in subsection (k), nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), one cent (\$0.01) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the northwest Indiana law enforcement training center.

(5) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(6) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(7) Except as provided in subsection (k) *and section 7 of this chapter*, sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under

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IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(e) Money paid to a unit of local government under subsection (b)(1) through (b)(2), (c)(1) through ~~(c)(2)~~, (c)(4), or (d)(1) through (d)(2):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction

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for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:

(1) Each entity receiving money under subsection (b) **except for a city or county to which a riverboat operation is relocated under IC 4-33-6-22.**

(2) Each entity receiving money under subsection (d)(1) through (d)(2) **except for the county and a city from which a riverboat operation is relocated under IC 4-33-6-22.**

(3) Each entity receiving money under subsection (d)(5) through (d)(7).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4) **unless a riverboat operation is relocated under IC 4-33-6-22 to a county described in IC 4-33-1-1(4).** The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (h), ~~or~~ (i), (l), (m), (n), (o), **or (p).** If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make

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1 a supplemental distribution to the entity under IC 4-33-13-5(g).

2 (k) This subsection does not apply to an entity receiving money  
3 under subsection (c). For state fiscal years beginning after June 30,  
4 2002, the treasurer of state shall pay that part of the riverboat  
5 admissions taxes that:

6 (1) ~~exceed~~ exceeds a particular entity's base year revenue; and

7 (2) would otherwise be due to the entity under this section;  
8 to the property tax replacement fund instead of to the entity.

9 **(l) This subsection applies if a riverboat operation is relocated**  
10 **under IC 4-33-6-22 to a city that is the largest city in the county**  
11 **described in IC 4-33-1-1(4). The treasurer of state shall determine**  
12 **the total amount of money paid under this section during state**  
13 **fiscal year 2002 by the treasurer of state to the city from which the**  
14 **riverboat operation was relocated. The amount determined under**  
15 **this subsection multiplied by five-tenths (0.5) is the base year**  
16 **revenue for the city that is the home dock for the relocated**  
17 **riverboat operation. The treasurer of state shall certify the base**  
18 **year revenue determined under this subsection to the city and the**  
19 **commission.**

20 **(m) This subsection applies if a riverboat operation is relocated**  
21 **under IC 4-33-6-22 to a city that is the largest city in the county**  
22 **described in IC 4-33-1-1(4). The treasurer of state shall determine**  
23 **the total amount of money paid under this section during state**  
24 **fiscal year 2002 by the treasurer of state to the county from which**  
25 **the riverboat operation was relocated. The amount determined**  
26 **under this subsection multiplied by eighteen-hundredths (0.18) is**  
27 **the base year revenue for the county to which the riverboat**  
28 **operation has relocated. The treasurer of state shall certify the**  
29 **base year revenue determined under this subsection to the county**  
30 **and the commission.**

31 **(n) This subsection applies if a riverboat operation is relocated**  
32 **under IC 4-33-6-22 to a location in a county described in**  
33 **IC 4-33-1-1(4) that is not within the largest city in that county. The**  
34 **amount determined by the treasurer of state under subsection (m)**  
35 **multiplied by two (2) is the base year revenue for the county to**  
36 **which the riverboat operation has relocated. The treasurer of state**  
37 **shall certify the base year revenue determined under this**  
38 **subsection to the county and the commission.**

39 **(o) This subsection applies if a riverboat operation is relocated**  
40 **under IC 4-33-6-22. The treasurer of state shall recalculate the**  
41 **base year revenue for the city and county from which the riverboat**  
42 **operation is relocated as follows:**

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(1) The city's base year revenue is the amount of the city's base year revenue as determined before January 1, 2008, multiplied by five-tenths (0.5).

(2) The county's base year revenue is the amount of the county's base year revenue as determined before January 1, 2008, multiplied by eighty-two hundredths (0.82).

The treasurer of state shall certify the base year revenue recalculated under this subsection to the city, the county, and the commission.

(p) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4) if a riverboat operation is relocated under IC 4-33-6-22 to a county described in IC 4-33-1-1(4). The treasurer of state shall determine the product of:

(1) the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002; multiplied by

(2) eighty-two hundredths (0.82).

The product determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The product determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to the commission and each entity subject to this subsection.

(q) This subsection applies to the convention and visitors bureau for a county described in IC 4-33-1-1(4) if a riverboat operation is relocated under IC 4-33-6-22 to the county. The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by eighteen-hundredths (0.18) is the base year revenue for the bureau. The treasurer of state shall certify the base year revenue determined under this subsection to the commission and the bureau.

SECTION 8. IC 4-33-13-5, AS AMENDED BY P.L.233-2007, SECTION 19, AND AS AMENDED BY P.L.234-2007, SECTION 281, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this

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chapter to the following:

(1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(2) Subject to ~~subsection~~ **subsections (c) and (k)**, twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the property tax replacement fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue ~~deposited in the state gaming fund~~ remitted by the operating agent under this chapter as follows:

(1) Thirty-seven and one-half percent (37.5%) shall be paid to the property tax replacement fund established under IC 6-1.1-21.

(2) ~~Thirty-seven and one-half~~ Nineteen percent (~~37.5%~~) (19%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, at any time the balance in that fund exceeds twenty million dollars (\$20,000,000), the amount described in this subdivision shall be paid to the property tax

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replacement fund established under IC 6-1.1-21.

(3) *Five Eight* percent ~~(5%)~~ (8%) shall be paid to the *historic hotel preservation* Orange County development commission established under IC 36-7-11.5.

(4) ~~Ten~~ Sixteen percent ~~(10%)~~ (16%) shall be paid in equal amounts to each town that ~~(A)~~ is located in the county in which the riverboat docks and ~~(B)~~ contains a historic hotel. ~~The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission. The following apply to taxes received by a town under this subdivision:~~

(A) At least twenty-five percent (25%) of the taxes must be transferred to the school corporation in which the town is located.

(B) At least twelve and five-tenths percent (12.5%) of the taxes must be transferred to the Orange County convention and visitors bureau.

(5) ~~Ten~~ Nine percent ~~(10%)~~ (9%) shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) ~~Twenty~~ Twenty-two and twenty-five hundredths percent ~~(20%)~~ (22.25%) shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) ~~Twenty~~ Twenty-two and twenty-five hundredths percent ~~(20%)~~ (22.25%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in

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the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) ~~Sixty-Fifty-five and five-tenths percent (60%)~~ (55.5%) shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. ~~The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:~~

~~(f) (6) Five percent (5%) shall be paid to a town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.~~

~~(f) (7) Five percent (5%) shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.~~

~~(8) Five-tenths percent (0.5%) shall be paid to the Orange County convention and visitors bureau.~~

(c) **This subsection does not apply to a city or county that is either the former or new location for a riverboat operation that relocates to a county described in IC 4-33-1-1(4) under IC 4-33-6-22.** For each city and county receiving money under subsection (a)(2) **that is subject to this subsection**, the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

(1) exceeds a particular city's or county's base year revenue; and

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(2) would otherwise be due to the city or county under this section;

to the property tax replacement fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

(1) Surplus lottery revenues under IC 4-30-17-3.

(2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.

(3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax replacement fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the property tax replacement fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

(1) To each city located in the county according to the ratio the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

(1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).

(2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for property

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1 tax replacement in property tax increment allocation areas or debt  
2 repayment.

3 (3) To fund sewer and water projects, including storm water  
4 management projects.

5 (4) For police and fire pensions.

6 (5) To carry out any governmental purpose for which the money  
7 is appropriated by the fiscal body of the city, town, or county.  
8 Money used under this subdivision does not reduce the property  
9 tax levy of the city, town, or county for a particular year or reduce  
10 the maximum levy of the city, town, or county under  
11 IC 6-1.1-18.5.

12 (g) This subsection does not apply to an entity receiving money  
13 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer  
14 of state shall determine the total amount of money distributed to an  
15 entity under IC 4-33-12-6 during the preceding state fiscal year. If the  
16 treasurer of state determines that the total amount of money distributed  
17 to an entity under IC 4-33-12-6 during the preceding state fiscal year  
18 was less than the entity's base year revenue (as determined under  
19 IC 4-33-12-6), the treasurer of state shall make a supplemental  
20 distribution to the entity from taxes collected under this chapter and  
21 deposited into the property tax replacement fund. *Except as provided*  
22 *in subsection (i), the amount of ~~the~~ an entity's supplemental*  
23 *distribution is equal to:*

24 (1) the entity's base year revenue (as determined under  
25 IC 4-33-12-6); minus

26 (2) the sum of:

27 (A) the total amount of money distributed to the entity during  
28 the preceding state fiscal year under IC 4-33-12-6; plus

29 (B) any amounts deducted under IC 6-3.1-20-7.

30 (h) This subsection applies only to a county containing a  
31 consolidated city. The county auditor shall distribute the money  
32 received by the county under subsection (e) as follows:

33 (1) To each city, other than a consolidated city, located in the  
34 county according to the ratio that the city's population bears to the  
35 total population of the county.

36 (2) To each town located in the county according to the ratio that  
37 the town's population bears to the total population of the county.

38 (3) After the distributions required in subdivisions (1) and (2) are  
39 made, the remainder shall be paid in equal amounts to the  
40 consolidated city and the county.

41 (i) *This subsection applies only to the Indiana horse racing*  
42 *commission. For each state fiscal year the amount of the Indiana horse*

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1 *racing commission's supplemental distribution under subsection (g)*  
 2 *must be reduced by the amount required to comply with*  
 3 *IC 4-33-12-7(a).*

4 **(j) This subsection applies if a riverboat operation is relocated**  
 5 **under IC 4-33-6-22. The treasurer of state shall recalculate the**  
 6 **base year revenue for the city from which the riverboat operation**  
 7 **is relocated by multiplying the amount of the city's base year**  
 8 **revenue as determined before January 1, 2008, by five-tenths (0.5).**  
 9 **The treasurer of state shall certify the base year revenue**  
 10 **recalculated under this subsection to the city and the commission.**  
 11 **The amount determined under this subsection is also considered:**

12 **(1) the base year revenue for a city that is the new home dock**  
 13 **of the riverboat operation if the riverboat operation is**  
 14 **relocated to a city that is the largest city in the county**  
 15 **described in IC 4-33-1-1(4); or**

16 **(2) the base year revenue for the county described in**  
 17 **IC 4-33-1-1(4) if the riverboat operation is relocated to a**  
 18 **location within the county that is not within the largest city in**  
 19 **the county.**

20 **The treasurer of state shall certify the base year revenue**  
 21 **determined under this subsection to the commission and to either**  
 22 **the city or county to which the riverboat operation is relocated,**  
 23 **whichever is appropriate.**

24 **(k) This subsection applies if a riverboat operation is relocated**  
 25 **under IC 4-33-6-22. The total amount of money distributed to a**  
 26 **city or county described in subsection (j) under this section during**  
 27 **a state fiscal year may not exceed the city's or county's base year**  
 28 **revenue as determined under subsection (j). For each state fiscal**  
 29 **year, the treasurer of state shall pay that part of the riverboat**  
 30 **wagering taxes that:**

31 **(1) exceeds a particular city's or county's base year revenue;**  
 32 **and**

33 **(2) would otherwise be due to the city or county under this**  
 34 **section;**

35 **to the property tax replacement fund instead of to the city or**  
 36 **county.**

37 **SECTION 9. [EFFECTIVE JULY 1, 2008] (a) The general**  
 38 **assembly finds that:**

39 **(1) a purpose of the riverboat gambling law set forth in**  
 40 **IC 4-33 is to benefit the people of Indiana by promoting**  
 41 **tourism and assisting economic development;**

42 **(2) the purpose described in subdivision (1) is promoted by the**

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geographic diversity of the riverboat gambling operations licensed under IC 4-33;

(3) the concentration of riverboat gambling operations licensed under IC 4-33 in counties that are contiguous to Lake Michigan limits the ability of the riverboat gambling law to promote tourism and assist economic development throughout much of Indiana;

(4) allowing a riverboat to relocate to Steuben County enables the riverboat gambling law to promote tourism and assist economic development in northeastern Indiana;

(5) Steuben County is ideally located to extend the market reach of riverboat gambling in Indiana to the large metropolitan areas located in southeastern Michigan and northwestern Ohio;

(6) Steuben County is well served by interstate highways and ideally located to capitalize on the economic potential of riverboat gambling in the county; and

(7) Steuben County is well served by an existing convention and visitors industry that is ready to capitalize on the economic potential of riverboat gambling in the county.

(b) The general assembly finds that:

(1) the riverboat gambling industry in Indiana is generally healthy;

(2) the city of Gary is the only community in Indiana in which more than one (1) riverboat is docked;

(3) competitive pressures from the riverboats in the surrounding region and the presence of two (2) riverboats in the city of Gary may combine to hinder the economic performance of riverboat gambling in the city of Gary;

(4) the relocation of a riverboat to a new market may enable the licensed owner of the two (2) riverboats in the city of Gary to improve the overall performance of the licensed owner's riverboats; and

(5) the improved overall performance of the licensed owner's riverboats would enhance the ability of the riverboat gambling industry in Indiana to promote tourism and assist economic development in Indiana.

(c) The special circumstances described in subsections (a) and

(b) require legislation particular to the city of Gary and Steuben County.

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